

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

IN RE:

W.R. Grace & Co., *et al.*,

Debtors.

Chapter 11

Case No. 01-01139 (JKF)

Jointly Administered

Ref. No. 22441

**MOTION FOR LEAVE TO EXCEED THE PAGE LIMIT  
REQUIREMENT FOR JOINT PRE-TRIAL MEMORANDUM OF THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS AND THE BANK  
LENDER GROUP IN OPPOSITION TO CONFIRMATION  
OF FIRST AMENDED JOINT PLAN OF REORGANIZATION  
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

The Official Committee of Unsecured Creditors (the “Creditors’ Committee”) and certain lenders under the Prepetition Bank Credit Facilities<sup>1</sup> (collectively, the “Bank Lender Group”)<sup>2</sup>, by and through their undersigned counsel, hereby move this Court (the “Motion”) for entry of an order, pursuant to Rule 7007-2 of the Local Rules of Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), authorizing the filing of the *Joint Pre-Trial Memorandum of the Official Committee of Unsecured Creditors and the Bank Lender Group in Opposition to*

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<sup>1</sup> The Pre-Petition Bank Credit Facilities include (i) that certain Credit Agreement, dated May 14, 1998, among the W.R. Grace & Co., W.R. Grace & Co.-Conn, The Chase Manhattan Bank, as Administrative Agent, Chase Securities Inc., as arranger, and certain Banks party thereto, and (ii) that certain 364-Day Credit Agreement, dated May 5, 1999, among the Company, W.R. Grace & Co.-Conn, Bank of America National Trust Savings Assoc., as documentation agent, The Chase Manhattan Bank, as administrative agent, Chase Securities Inc., as book manager, and certain Banks party thereto.

<sup>2</sup> The Bank Lender Group includes (i) Anchorage Advisors, LLC; (ii) Avenue Capital Group; (iii) Babson Capital Management LLC; (iv) Bass Companies; (v) Caspian Capital Advisors, LLC; (vi) Catalyst Investment Management Co., LLC; (vii) Cetus Capital, LLC, (viii) DE Shaw Laminar Portfolios, LLC; (ix) Farallon Capital Management, L.L.C., (x) Goldman Sachs & Co. (as ex officio member); (xi) Halcyon Asset Management LLC; (xii) Intermarket Corp.; (xiii) JP Morgan Chase, N.A. Credit Trading Group; (xiv) Loeb Partners Corporation; (xv) MSD Capital, L.P.; (xvi) Normandy Hill Capital, L.P.; (xvii) Onex Debt Opportunity Fund Ltd.; (xviii) P. Schoenfeld Asset Management, LLC; (xix) Restoration Capital Management, LLC; and (xx) Royal Bank of Scotland, PLC.

*Confirmation of First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* (the “Pre-Trial Memorandum”). In support of this Motion, the Creditors’ Committee and the Bank Lender Group represent as follows:

1. Although neither the Third Amended Case Management Order, dated May 5, 2009 nor the Court’s chambers procedures provides express limitations on the length of memoranda of law or briefs, the Local Rule governing length of opening and answering briefs possibly applies. Therefore, out of an abundance of caution, the Creditors’ Committee and the Bank Lender Group file this Motion seeking relief from this page limitation.

2. Local Rule 7007-2(a)(iv) provides that “(w)ithout leave of Court, no opening or answering brief shall exceed forty (40) pages ... exclusive of any tables of contents and citations.” Del. Bankr. L.R. 7007-2; *see also* General Chambers Procedures dated April 3, 2006 at 2, ¶ 2(a)(vi) (providing that Local Rule 7007-2(a)(iv) applies to briefs filed in connection with motions). The body of the Pre-Trial Memorandum is 72 pages in length.

3. The Creditors’ Committee and the Bank Lender Group respectfully submit that allowing the Pre-Trial Memorandum to exceed the forty (40) page limitation prescribed by Local Rule 7007-2 and the General Chambers Procedures is reasonable and appropriate under the circumstances given the substantial sums at issue, the number and complexity of the issues involved, and the importance of these issues in determining whether the Plan is confirmable as a matter of law. Moreover, the Pre-Trial Memorandum is far more encompassing than a routine opening, answering, or reply brief. It sets forth all of the Creditors’ Committee’s and Bank Lender Group’s arguments

with respect to Phase II issues (excluding feasibility) and related evidence to be introduced during the confirmation hearing in support of their opposition to the First Amended Joint Plan of Reorganization. Furthermore, in the interests of completeness and efficiency, the Pre-Trial Memorandum includes the Creditors' Committee's and Bank Lender Group's supplemental briefing on Phase I impairment issues, which this Court ordered be filed by July 17, 2009.<sup>3</sup>

4. The Creditors' Committee and the Bank Lender Group have used their best efforts to keep the Pre-Trial Memorandum concise, but cannot provide this Court with the facts and argument appropriate for the full and fair adjudication of all of the issues involved within the 40-page limit. The Creditors' Committee and the Bank Lender Group submit that the circumstances warrant the relief requested herein.

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<sup>3</sup> Order Regarding Further Matters Related to the Phase I Confirmation Hearing With Respect to Class 9 Impairment dated July 9, 2009 [Dkt. No. 22374].

WHEREFORE, the Creditors' Committee and the Bank Lender Group respectfully request that this Court enter an order, in the form annexed hereto, (i) granting the Creditors' Committee and the Bank Lender Group leave to file the Pre-Trial Memorandum in excess of the page limitations imposed by Local Rule 7007-2 and the General Chambers Procedures and (ii) grant the Creditors' Committee and the Bank Lender Group such other and further relief as this Court deems just and proper.

Dated: Wilmington, Delaware  
July 14, 2009

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